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25X1

January 30, 1954

25X1

Subject: Our quotation for RS-6 Adapters contract PEC-148-UNV

Enclosure: WD 105 cost analysis forms for quantities of 1,500 and 3,000 Adapters

Dear [redacted]

25X1

At the request of your Engineering department we have prepared and are now submitting our quotation for two quantities of a special RS-6 Plug Adapter to be used as an accessory for this equipment.

We now have as a separate contractual requirement under Supplement 2 of the subject contract a requirement for similar adapters under Item 9. One thousand of these Adapters were ordered at a price of \$2.667 each or a total price of \$2,667. We also have under Supplement 2 a requirement to furnish 4,400 special Connectors at a price of \$.71 each. Unfortunately during the change of responsibility for this contract at our plant these contractual requirements were assumed to have been completed, whereas actually they were never shipped. In recent conversations with your [redacted] this situation has been "brought to light" and it is as a direct result of this oversight that this new quotation is being requested by your Engineering people.

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Since the dollars appropriated for these two items under Supplemental Agreement number 2 have not been spent in their entirety it is possible that we could negotiate a change in our contractual requirements, if you elect to procure these new Adapters in lieu of the Connectors and Adapters now required under this contract.

Our prices on the attached WD 105 forms are based on F.O.B. Chicago and will remain in effect for a period of 60 days.

Very truly yours,

25X1

Mr. [redacted] Agency

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COST ANALYSIS

CHECK APPROPRIATE BOX:

ESTIMATED COST ☒ HISTORICAL COST ☐

PERIOD COVERED:

NAME OF CONTRACTOR

PRIME ☐ SUB ☐

PURCHASE REQUISITION No.

25X1

ADDRESS (Street, city)

ORDER OR FILE No.

CONTRACT No.

ITEM NO PSC-148-UNV

ARTICLE

RS-6 Adapters

QUANTITY

1500

AT

\$ 2.36 EACH

AMOUNT

\$3,540.00

TERMS AND DISCOUNT

NET TOTAL OF CONTRACT \$

ANALYSIS OF COST AS OF February 1, 1954

INDICATE WHETHER:

COST PER ITEM ☒ OR TOTAL CONTRACT COST ☐

| ITEM | AMOUNT | PERCENT OF COST |
|---|--------|-----------------|
| 1. DIRECT MATERIAL | \$1.03 | |
| 2. LESS SCRAP OR SALVAGE | | |
| 3. NET DIRECT MATERIAL | | |
| 4. PURCHASED PARTS—FROM SUBCONTRACTORS | | |
| 5. DIRECT PRODUCTIVE LABOR HOURS AT \$ | .43 | |
| 6. DIRECT FACTORY CHARGES: | | |
| (a) TOOLS AND DIES | | |
| 1. DIRECT WAGES HOURS AT \$ | | |
| 2. TOOLING BURDEN | | |
| 3. MATERIALS | | |
| (b) SPECIAL MACHINERY | | |
| (c) MISCELLANEOUS | | |
| 7. INDIRECT FACTORY EXPENSES (Burden), ON BASIS OF 77% See Note ^a of D/L | .33 | |
| 8. ENGINEERING AND DEVELOPMENT EXPENSES—DIRECT: | | |
| (a) SALARIES AND WAGES HOURS AT \$ | | |
| (b) BURDEN | | |
| (c) OTHER | | |
| TOTAL MANUFACTURING COST | 1.79 | |
| 9. GENERAL AND ADMINISTRATIVE EXPENSE: | | |
| 3.95% PERCENT OF Manufacturing Cost See Note ^b | .07 | |
| 10. SELLING EXPENSE See Note ^c | | |
| 11. CONTINGENCIES See Note ^d | | |
| 12. OTHER EXPENSES Processing 2.63% of Mfg. Cost See Note ^e | .05 | |
| 14. | | |
| 15. | | |
| 16. TOTAL COST | | 100.00 |
| 17. OPERATING PROFIT (before taxes based on income) | .24 | |
| 18. SELLING PRICE | \$2.15 | |

19. (a) Are the wage rates used in estimating the direct labor of the unit cost break-down the same as those now prevailing?

(b) If "No," explain difference and indicate approximate amount thereof.

20. (a) What operating rate has been used in calculating the above estimate?
Hours of operation per week?(b) At what rate is your plant now operating?
Hours of operation per week?

CERTIFICATION

This is to certify that the information contained in this report has been compiled from the records and books of this company (or is an estimate based on such books and records), and to the best of our knowledge and belief the costs and expenses shown hereon are correctly stated.

(Contractor)

February 1, 1954

(Date)

Manager, National Defense Department

(Signature and title)

^a State basis of allocation. Amortization in excess of normal depreciation will not be allowed. Depreciation on fully amortized or fully depreciated facilities will not be allowed.^b State nature of expenses included and basis of allocation.^c State nature of expenses included and amount of advertising, if any, separately, and basis of allocation.^d Explain in detail.^e State nature of expenses, basis of allocation, and why related to the cost of this item.

COST ANALYSIS

CHECK APPROPRIATE BOX:

ESTIMATED COST ☒ HISTORICAL COST ☐

PERIOD COVERED:

NAME OF CONTRACTOR

PURCHASE REQUISITION No.

25X1

ADDRESS (Street, city)

ORDER OR FILE No.

CONTRACT No.

ITEM No. PSC-148-UNV

ARTICLE

RS-6 Adapters

QUANTITY

3,000

AT

\$ 2.32 EACH

AMOUNT

\$ 6,960.00

TERMS AND DISCOUNT

NET TOTAL OF CONTRACT \$

ANALYSIS OF COST AS OF February 1, 1954

INDICATE WHETHER:

COST PER ITEM ☒ OR TOTAL CONTRACT COST ☐

| ITEM | AMOUNT | PERCENT OF COST |
|--|--------|-----------------|
| 1. DIRECT MATERIAL | \$1.00 | |
| 2. LESS SCRAP OR SALVAGE | | |
| 3. NET DIRECT MATERIAL | | |
| 4. PURCHASED PARTS—FROM SUBCONTRACTORS | | |
| 5. DIRECT PRODUCTIVE LABOR HOURS AT \$ | .43 | |
| 6. DIRECT FACTORY CHARGES: | | |
| (a) TOOLS AND DIES | | |
| 1. DIRECT WAGES HOURS AT \$ | | |
| 2. TOOLING BURDEN | | |
| 3. MATERIALS | | |
| (b) SPECIAL MACHINERY | | |
| (c) MISCELLANEOUS | | |
| 7. INDIRECT FACTORY EXPENSES (Burden), ON BASIS OF 77% See Note ° of D/L | .33 | |
| 8. ENGINEERING AND DEVELOPMENT EXPENSES—DIRECT: | | |
| (a) SALARIES AND WAGES HOURS AT \$ | | |
| (b) BURDEN | | |
| (c) OTHER | | |
| TOTAL MANUFACTURING COST | \$1.76 | |
| 9. GENERAL AND ADMINISTRATIVE EXPENSE: | | |
| 3.95 PERCENT OF Mfg. Cost See Note ° | .07 | |
| 10. SELLING EXPENSE See Note ° | | |
| 11. CONTINGENCIES See Note ° | | |
| 12. OTHER EXPENSES Processing 2.63% of Mfg. Cost See Note ° | .05 | |
| 13. | | |
| 14. | | |
| 15. | | |
| 16. TOTAL COST | | 100.00 |
| 17. OPERATING PROFIT (before taxes based on income) | .23 | |
| 18. SELLING PRICE | \$2.11 | |

19. (a) Are the wage rates used in estimating the direct labor of the unit cost break-down the same as those now prevailing? .21 -10% Pkg. & Pack.
 (b) If "No," explain difference and indicate approximate amount thereof. \$2.32
20. (a) What operating rate has been used in calculating the above estimate?
 Hours of operation per week?
 (b) At what rate is your plant now operating?
 Hours of operation per week?

CERTIFICATION

This is to certify that the information contained in this report has been compiled from the records and books of this company (or is an estimate based on such books and records), and to the best of our knowledge and belief the costs and expenses shown hereon are correctly stated.

(Contractor)

February 1, 1954

(Date)

Manager, National Defense Department

(Signature and title)

a State basis of allocation. Amortization in excess of normal depreciation will not be allowed. Depreciation on fully amortized or fully depreciated facilities will not be allowed.

b State nature of expenses included and basis of allocation.

c State nature of expenses included and amount of advertising, if any, separately, and basis of allocation.

d Explain in detail.

e State nature of expenses, basis of allocation, and why related to the cost of this item.

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February 1, 1954

Material for RS-6 Adapter

| <u>Qty.</u> | <u>Description</u> | <u>Quote 1,500</u> | <u>Quote 3,000</u> |
|-------------|---|------------------------|------------------------|
| 1 | Amphenol 6 pin Plug (Amphenol part number 92-6M) | .100 | .100 |
| 1 | 409B175 Receptacle | .550 | .550 |
| 1 | 415B298 Shell Adapter (Raw) | .139 | .111 |
| | " " " (Painting Cost) | .040 | .040 |
| | Misc. Wires and Hardware | <u>.080</u> | <u>.080</u> |
| | Total B/M | .909 | .881 |

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